

PALM BEACH COUNTY

BOARD of COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: 05/18/2010

Consent  Regular  
 Public Hearing

Department:

Submitted By: Internal Auditor's Office

I. EXECUTIVE BRIEF

**Motion and Title:** Staff recommends motion to approve:

Amendment No. 6 to the contract (R2004-1796) with Joseph Bergeron, Internal Auditor; extending said contract for one additional year ending on September 30, 2013.

**Summary:** The Audit Committee, at its March 17, 2010 meeting, unanimously approved recommending a one year extension of the Internal Auditor's contract and adjusting the contract termination date to coincide with the County's fiscal year. The Audit Committee recommended no salary adjustment which is consistent with general County employees. The Internal Auditor's salary will remain \$146,008. The new contract expiration date is September 30, 2013. This item is presented to the Board at this time to comply with the 90 day notice requirement of the contract. Countywide (PFK)

**Background and Policy Issues:**

The Audit Committee conducted an evaluation of the Internal Auditor at its March 17, 2010 meeting covering calendar year 2009. All seven members submitted evaluations. Four evaluations gave an "exceeds expectations" rating and three evaluations gave a "meets expectations" rating. Copies of the evaluations are attached to this agenda item. Future performance evaluations will be conducted each March for the calendar year just ended.

The Audit Committee unanimously approved recommending an extension of the contract for another year, adjusting the expiration date to coincide with the County's fiscal year resulting in a new expiration date of September 30, 2013, and no salary adjustment consistent with general county employees.

**Attachments:**

Amendment No. 6 to contract (R2004-1796)  
Annual Performance Evaluations (7)

Recommended by: Joseph F Bergeron Internal Auditor Date 4.13.10

Recommended by: [Signature] County Administrator Date 4/26/10

**II. FISCAL IMPACT ANALYSIS**

**A. Five Year Summary of Fiscal Impact:**

Fiscal Years	2010	2011	2012	2013	2014
Capital Expenditures					
Operating Costs				146,008	
External Revenues					
Program Income (County)					
In-Kind Match (County)					
<b>NET FISCAL IMPACT</b>				146,008	
# ADDITIONAL FTE					
POSITIONS (Cumulative)					

Is Item Included In Current Budget?      Yes       No   
 Budget Account No.: Fund \_\_\_\_\_ Agency \_\_\_\_\_ Org. \_\_\_\_\_ Object \_\_\_\_\_  
 Program Number \_\_\_\_\_ Revenue Source \_\_\_\_\_

**B. Recommended Sources of Funds/Summary of Fiscal Impact:**


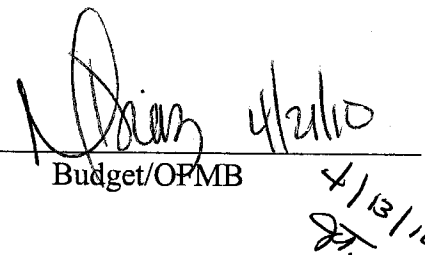
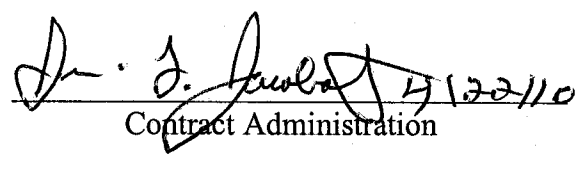
Contract Element	Current	Proposed	Change
Salary (no increase)	146,008	146,008	none

Department Fiscal Review:

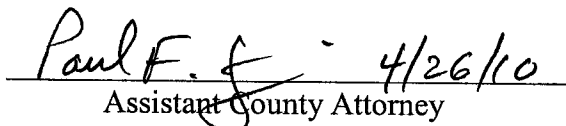
Section B above does not include deferred compensation and auto allowances which are unchanged in this amendment.

**III. REVIEW COMMENTS:**

**A. OFMB Fiscal and/or Contract Administration Comments:**

**B. Legal Sufficiency:**

  
 Assistant County Attorney

**This amendment complies with our review requirements.**

**C. Other Department Review:**

\_\_\_\_\_  
 Department Director

**This summary is not to be used as a basis for payment.**

**Amendment No. 6 to Contract Between  
Palm Beach County  
And  
Joseph Bergeron, Internal Auditor**

**This amendment No. 6** dated May 18, 2010 to the contract dated August 17, 2004 (R2004-1796 as amended by R2005-1030 (5/17/05), R2006-0801 (5/2/06), R2007-0818 (5/15/07), R2008-0809 (5/6/2008), and R2009-0795 (5/5/09) between Palm Beach County, a political subdivision of the State of Florida, hereinafter referred to as "County", and Joseph Bergeron, hereinafter referred to as "Internal Auditor", an individual residing at 13689 Exotica Lane, Wellington, Florida 33414.

**Witnesseth:**

**Whereas**, the parties hereto have previously entered into an employment contract dated August 17, 2004 (R2004-1796 as amended by R2005-1030 (5/17/05), R2006-0801 (5/2/06), R2007-0818 (5/15/07), R2008-0809 (5/6/2008), and R2009-0795 (5/5/09); and

**Whereas**, the contract will automatically renew under the same terms and conditions unless terminated by either party in accordance with Section 5 of the employment contract; and

**Whereas**, the parties hereto desire to amend the contract to reflect these changes.

**Now therefore**, in consideration of the mutual covenants hereinafter set forth and for other such good and valuable consideration, the receipt of which the parties hereto expressly acknowledge, the parties agree as follows:

1. Section 1 of the employment contract is amended to read:  
The County shall employ Joseph Bergeron (hereinafter "Internal Auditor") as the Internal Auditor of Palm Beach County pursuant to the Charter of Palm Beach County for a period of three (3) years beginning August 17, 2010 and ending September 30, 2013. The County shall pay the Internal Auditor a salary of \$146,008 per year, payable biweekly and a continuing contribution on behalf of the Internal Auditor into the NACO Deferred Compensation Program in the amount of 50% of the maximum basic contribution allowed by law exclusive of any catch-up provisions allowed by law. In addition, the County shall pay the Internal Auditor a car allowance of \$550.00 per month. This Agreement shall continue on the same terms and conditions as herein provided for additional one year periods, unless terminated by either party in accordance with Section 5 of this Agreement.

2. All other terms and conditions of the employment contract shall remain in full force and effect.

This amendment shall be effective following execution hereof by the parties hereto.

**In witness whereof**, the parties hereto have set their hands and seal on the day set forth above.

Attest:

Sharon R. Bock, Clerk & Comptroller

Palm Beach County, Florida

By Its Board of County

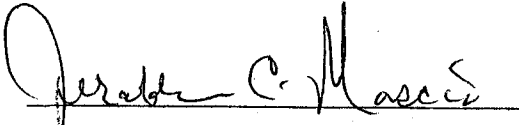
Commissioners

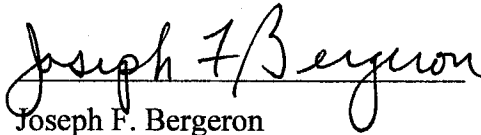
By: \_\_\_\_\_

\_\_\_\_\_  
Burt Aaronson, Chair

Witness for Internal Auditor

Internal Auditor

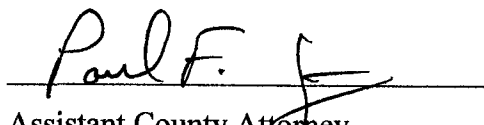
  
Witness signature

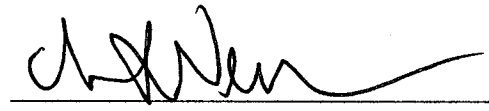
  
Joseph F. Bergeron

GERALDINE C MASCIO  
Witness printed name

Approved as to form and legal sufficiency

Approved as to terms and conditions

  
Assistant County Attorney

  
County Administrator

**Annual Performance Evaluation  
Palm Beach County Internal Auditor  
Joseph Bergeron  
For the Calendar Year Ended December 31, 2009**

**Overall Evaluation of Performance**

(See "Considerations for the Internal Auditor's Annual Performance Review" which are attached.)

- Exceeds Expectations   X
- Meets Expectations
- Needs Improvements            (must provide explanatory comments)

Evaluator: Shelley Vana  
Signature

Date: 3-17-10

**Comments (optional, unless Needs Improvement selected)**

Mr. Bergeron has exhibited an exemplary work ethic. He has gone beyond expectations in working on the Audit Committee charter.

---

---

---

---

---

---

---

---

---

---

---

---

### **Considerations for the Internal Auditor's Annual Performance Review**

The evaluation criteria should reflect some or all of the following factors:

- Compliance with Palm Beach County Charter requirements
- Compliance with Audit Resolution
- Compliance with Generally Accepted Governmental Auditing Standards (GAGAS)
- Relationship of the Internal Auditor with the Audit Committee
- Relationship of the Internal Auditor with County management
- Degree of accomplishment of the annual audit plan
- Degree of accomplishment of objectives from annual budget
- Management of the audit staff
- Leadership skills demonstrated
- Results of periodic peer reviews

One matter that should be considered relevant to each of the factors listed above is the ability of the Audit Committee to have access to information relating to the evaluated measures.

Other matters relevant to the performance evaluation process would developing mutual agreement as to the performance items to be evaluated at the beginning of the evaluation period, agreeing on the weights (if any) to be assigned to the factors and what scale (if any) to be used to rate each factor.

The Palm Beach County Charter states that the Internal Auditor shall be responsible for conducting post audits and performance audits for all departments, divisions, regulatory boards and advisory boards under the BCC in all financial matters relating to their official capacity.

The Audit Resolution (R2005-0372 2/15/05) establishes requirements for the scope of audits, the annual audit plan and the content of audit reports. The Resolution also requires that audits be conducted according to GAGAS. There is significant detail in GAGAS on the requirements for specific audit engagements but no direction on the annual audit plan. The Institute of Internal Auditors standards require the annual audit plan to be risk based, consistent with the organization's goals and developed with input from senior management and the Board.

GAGAS require audit reports to be timely, complete, accurate, objective, convincing, clear and concise. These requirements are specific to performance audits which represent the vast majority of audits currently conducted by the Office.

MAR 23 2010

**Annual Performance Evaluation  
Palm Beach County Internal Auditor  
Joseph Bergeron  
For the Calendar Year Ended December 31, 2009**

**Overall Evaluation of Performance**

(See "Considerations for the Internal Auditor's Annual Performance Review" which are attached.)

- Exceeds Expectations \_\_\_\_\_
- Meets Expectations \_\_\_\_\_
- Needs Improvements \_\_\_\_\_ (must provide explanatory comments)

Evaluator: WELSMAN  
Signature

Date: 3/18/10

**Comments (optional, unless Needs Improvement selected)**

I THINK MR. BERGERON PROVIDES SOLID, THOUGHTFUL,  
QUALITY WORK OUTPUT THAT FULFILL THE  
REQUIREMENTS OF THE POSITION TO THE BENEFIT  
OF THE COUNTY & COUNTY COMMUNITY.

**Annual Performance Evaluation  
 Palm Beach County Internal Auditor  
 Joseph Bergeron  
 For the Calendar Year Ended December 31, 2009**

**Overall Evaluation of Performance**

(See "Considerations for the Internal Auditor's Annual Performance Review" which are attached.)

- Exceeds Expectations       ✓
- Meets Expectations
- Needs Improvements                      (must provide explanatory comments)

Evaluator: Donald M. Miller  
Signature

Date: 3/16/2010

**Comments (optional, unless Needs Improvement selected)**

*Joe has demonstrated a thorough understanding of his job and maintains compliance with applicable County, Auditing and Accounting standards. He follows his annual audit plans and does an exceptional job completing the established plan. His audit reports are clear and very well written. I admire how he maintains a very respectful and cordial working relationship with the BCC, management and his auditees. Good job!*









**Annual Performance Evaluation  
Palm Beach County Internal Auditor  
Joseph Bergeron  
For the Calendar Year Ended December 31, 2009**

**Overall Evaluation of Performance: Meets Expectations**

Evaluator: Roger Trca  
Date: 3/17/10

**Comments:**

Quarterly audit work plan updates to the Audit Committee are organized and effective.

Annual planning is cycle based. Each county entity is audited with the same level of frequency. As recommend in prior occasions, selection of entities for the annual plan should be risk-based; higher risk entities should be audited more frequently than lower risk entities. For example, annual plan may be comprised of entities with risk levels deemed high (60% of plan), medium (25% of plan) and low (15% of plan).

Noted at least in one occasion (report from March 2010 package) where information was gathered on current practices in other counties for comparative purposes. Believe opportunities exist to incorporate best practices information in more audits and reports.

Process is in place to execute follow-up audits to monitor successful implementation of agreed upon actions by management. Audit reports containing more significant observations should be prioritized and followed up timely.